

Union Pacific Corporation

RECORDATION NO. 15272-C FILED



NOV 5 '97

11-52AM

Jack E. Jerrett
Senior Corporate Attorney

November 4, 1997

FEDERAL EXPRESS

Mr. Vernon A. Williams
Surface Transportation Board
1925 K Street, N.W., Suite 704
Washington, DC 20423-0001

Re: **Southern Pacific Transportation Company 9.25% Conditional
Sale Indebtedness Series B dated as of June 1, 1987**

Dear Mr. Williams:

Enclosed please find an original and three counterparts of the document described below, which are to be filed and recorded pursuant to 49 U.S.C. §11303.

The document is a Bill of Sale and Declaration of Payment, dated as of September 26, 1997, by Mellon Bank, N.A., as Successor Agent under the above-captioned Conditional Sale Agreement, consenting that the record of its title to the equipment covered by such Conditional Sale Agreement be canceled and discharged. The Conditional Sale Agreement is recorded under Recordation No. 15272.

I have enclosed a fee of \$24. Please return to me one stamped counterpart of the Bill of Sale and Declaration of Payment and any additional counterparts which you do not need for recordation. Kindly acknowledge your receipt of this letter and its enclosures by stamping and returning to me the extra copy of this letter which I have enclosed.

Sincerely,

JEJ:bjj
Enclosures

cc: Michael J. Staffenbeal

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SURFACE TRANSPORTATION BOARD
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

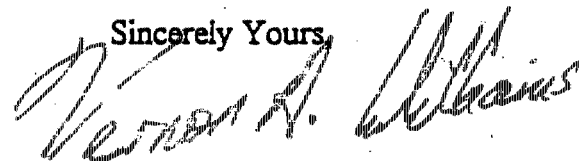
Jack E. Jerrett
Union Pacific Corporation
1717 Main Street, Ste. 5900
Dallas, Texas 75201-4605

DATE: 11/5/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 11/5/97 at 11:52AM, and
assigned recordation number(s). 15272-C.

Sincerely Yours,

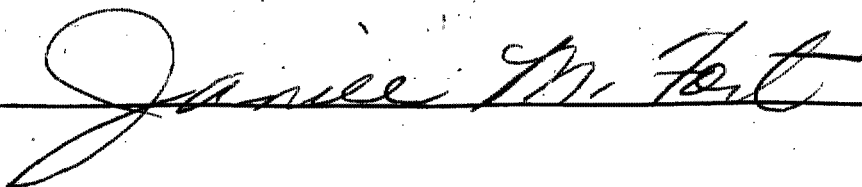


Vernon A. Williams
Secretary

Enclosure(s)

\$ 24.00 The amount indicated at the left has been received in payment of a fee in
connection with a document filed on the date shown. This receipt is issued for the amount paid.
In the event of an error or any questions concerning this fee, you will receive a notification after
the Surface Transportation Board has an opportunity to examine your document.

Signature



BILL OF SALE AND DECLARATION OF PAYMENT

RECORDATION NO.

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KNOW ALL MEN BY THESE PRESENTS, that

WHEREAS, the Southern Pacific Transportation Company, a Delaware corporation (the "Company"), entered into a Sale and Conditional Sale - Back Agreement, dated as of June 1, 1987 (the "CSA"), which was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 on July 24, 1987 and assigned Recordation No. 15272; and

WHEREAS, the CSA provided for the remanufacture, sale and delivery by the Company to Mellon Bank, N.A. (as successor agent to CoreStates Bank, N.A., which was successor by merger to First Pennsylvania Bank, N.A.) (the "Agent"), as agent under the Finance Agreement, dated as of June 1, 1987, among the Agent, the Company and the Investor identified therein, and the conditional sale by the Agent to the Company, of the railroad equipment described in Schedule A hereto (the "Equipment"); and

WHEREAS, the Company agreed to pay the purchase price of the Equipment, including interest, in the manner prescribed in the CSA (the "CSA Indebtedness"); and

WHEREAS, on June 1, 1997 the Company made the final payment due under the CSA in respect of the CSA Indebtedness; and

WHEREAS, the Company has paid the Agent the full aggregate purchase price for all the Equipment, together with interest, and any and all other payments as provided in the CSA, and the Company represents and warrants that it has performed all the covenants and conditions contained in the CSA.

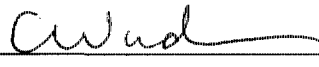
NOW, THEREFORE, the Agent does hereby declare and acknowledge that to the best of its knowledge and belief and based on the foregoing, all the terms and conditions stipulated in the CSA have been fully performed and all monies payable thereunder have been fully paid.

WHEREUPON, the Agent does hereby grant, bargain, sell and convey unto the Company, without recourse in any event, in any contingency or for any cause, all right, title and interest of the Agent in and to the Equipment free and clear of all claims, liens, security interests and other encumbrances created in or retained by the Agent under the CSA, it being understood that the Agent makes no other covenants of title, representations or warranties, expressed or implied, in law or in equity, with respect to any other liens or with respect to any other matters relating to the Equipment, including without limitation the existence of such Equipment, that the Equipment has not been previously leased under the CSA or that the Equipment has not suffered a Casualty Occurrence (as defined in the CSA).

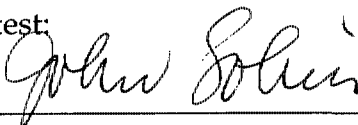
TO HAVE AND TO HOLD all and singular the Equipment unto the Company, its successors and assigns forever.

IN WITNESS WHEREOF, the Agent has caused this instrument to be executed by
its officers thereunto duly authorized this 26th day of September, 1997.

MELLON BANK, N.A.,
Successor Agent to CoreStates Bank, N.A.,
Successor by Merger to First
Pennsylvania Bank N.A., as Agent

By: 
Name: CATHY WIEDECKE
Title: ASSISTANT VICE PRESIDENT

Attest:



COMMONWEALTH OF PENNSYLVANIA)
) ss:
COUNTY OF)

On this ~~26~~²⁷ day of Sept., 1997, before me personally appeared CATHY WIEDECKE,
to me personally known, who being by me duly sworn, said that he or she is
ASSISTANT VICE PRESIDENT of Mellon Bank, N.A., that the seal affixed to the foregoing instrument
is the corporate seal of said corporation, that he or she is authorized to execute the
foregoing instrument on behalf of said corporation, that said instrument was signed and
sealed on behalf of said corporation by authority of its Board of Directors and he or she
acknowledged that the execution of the foregoing instrument was the free act and deed of
said corporation.

Sandra J. Coleman

Notary Public

NOTARIAL SEAL

LAURA J. CALIMAN, Notary Public
City of Philadelphia, Phila. County
My Commission Expires Jan. 2, 2001

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SCHEDULE A

Equipment

<u>Quantity</u>	<u>Description</u>	<u>Road Nos.</u>
36	3600 H.P. Diesel- Electric Locomotives Model SD45-T2	6793-6828, Inclusive